

From: Igor
To: Microsoft ATR
Date: 1/23/02 6:50pm
Subject: Microsoft Settlement

Dear Sirs,

As a user of computer products and technologies, and being an IT professional, I am deeply worried about the growing influence of Microsoft Inc. in the global marketplace. Microsoft has through the sheer weight of its market domination sought to gain even more influence and power.

Its treatment of Netscape, which it saw as a powerful competitor for its Windows platform, has been widely documented and is exemplary of the ruthless nature of the way Microsoft conducts business.

Although Microsoft is in the business of making money and although they should be free to follow their own course, this should not include the right to hinder its competitors to the point where they cannot compete on equal terms. The very fact that Microsoft dominates the desktop and through this expedient alone can control who can and who cannot weave his products seamlessly into the Windows mesh is proof enough that competitors are not working on a level playing field. The odds are indeed very heavily stacked in favor of Microsoft when it comes to defending its interests on the desktop.

Furthermore, I find there is a deeply offensive character to the way Microsoft is trying to buy its way out of this court case. Not only is it offering a compensation for its conduct which would not cost the company a lot of money (the value of their offering is an arbitrary sum since they don't have to pay themselves full value for the products they'd be offering the schools), but more damning than anything else, providing the schools with more of its products, thereby guaranteeing a larger user base by creating future marketshare, they are circumventing their conviction for offending against the Sherman Act. And they are doing it in such a way as to negating the conviction and turning a defeat into a court ordered victory. This is the equivalent of allowing a thief to sell back at full price the stolen item to his victim, and forcing the victim to accept. Every fraud, every gangster, every con artist will DEMAND to be tried by this court. A conviction is better than winning the case.

If this settlement is allowed to stand as it is, the court is giving the wrong signal to everybody who intends to defraud, embezzle or steal from his neighbour. Every company will seek to defend its claim in this court because a settlement will be in its favor. In a judicial system that relies heavily on precedent, this is the most dangerous precedent of all.

To compound the injury, Microsoft has never offered its shareholders a dividend in the profits and it has done so solely for the purpose of evading superior taxes of 39% on income from dividends in favor of the

lesser tax amount of 20% for profits on selling stock. Microsoft has an enormous amount of cash money at its disposal.

The law states that a company should have sufficient means to conduct its business but Microsoft has more cash than any other company on the planet. This is money that it has won through exploiting its monopoly very effectively. This way the company keeps winning. Not only is it convicted of a monopoly and is it subsequently rewarded with a settlement that perpetuates its monopoly, the money it has made it wants to keep for itself and its largest shareholders, among which its co-founder and chairman William H. Gates III.

Through its refusal to offer a dividend to its shareholders it evades taxes that are rightfully due to the State and thus to the general public.

How can it be that Microsoft which is convicted for being a monopoly gets to keep the spoils from exploiting that monopoly, withholds taxes from the State and gets the most favorable settlement in a court case in the history of the judicial system ? What message is sent here to the regular tax payer who does not have an army of legal geniuses at his disposal, who has to do an honest day's work for a modest income and who sees that convicted companies get away scotfree and with a golden deal to boot ?

I want to close by saying that I do not begrudge Microsoft its money, or William H. Gates III his status as richest man on the planet. Although I do not scoff at the possibilities that an abundance of money allows, I have found other riches in life that money will never buy. I fully realise this is cliché but I mean it from the bottom of my heart.

What worries me here is that if Microsoft gets away with its business practices and does not get a very stern signal, it will just keep doing what it has always done. When someone receives punishment that in real terms amounts to no punishment at all, he does not see the need or feel compelled to change his ways, and isn't that why punishment was meted out in the first place ? I think this is true for Microsoft as well. It is also a very bad signal to other companies that perpetrate these and likewise felonies that when they should ever face the wrath of justice they should not worry too much. And for what that implies I worry very deeply indeed.

I am sure you will rule wisely and serenely. I have confidence in the law because it is the protector for those who cannot protect themselves.

May God bless you.

Ignace Van Caneghem